

The Food Price Monitor: Kenya is a monthly report developed for the Food Security Portal (FSP), facilitated by IFPRI, with the goal of providing clear and accurate information on commodity price trends and variations in selected markets throughout Kenya. The reports are intended as a resource for those interested in agricultural commodity markets in Kenya, namely producers, traders, consumers, or other agricultural stakeholders.

Highlights

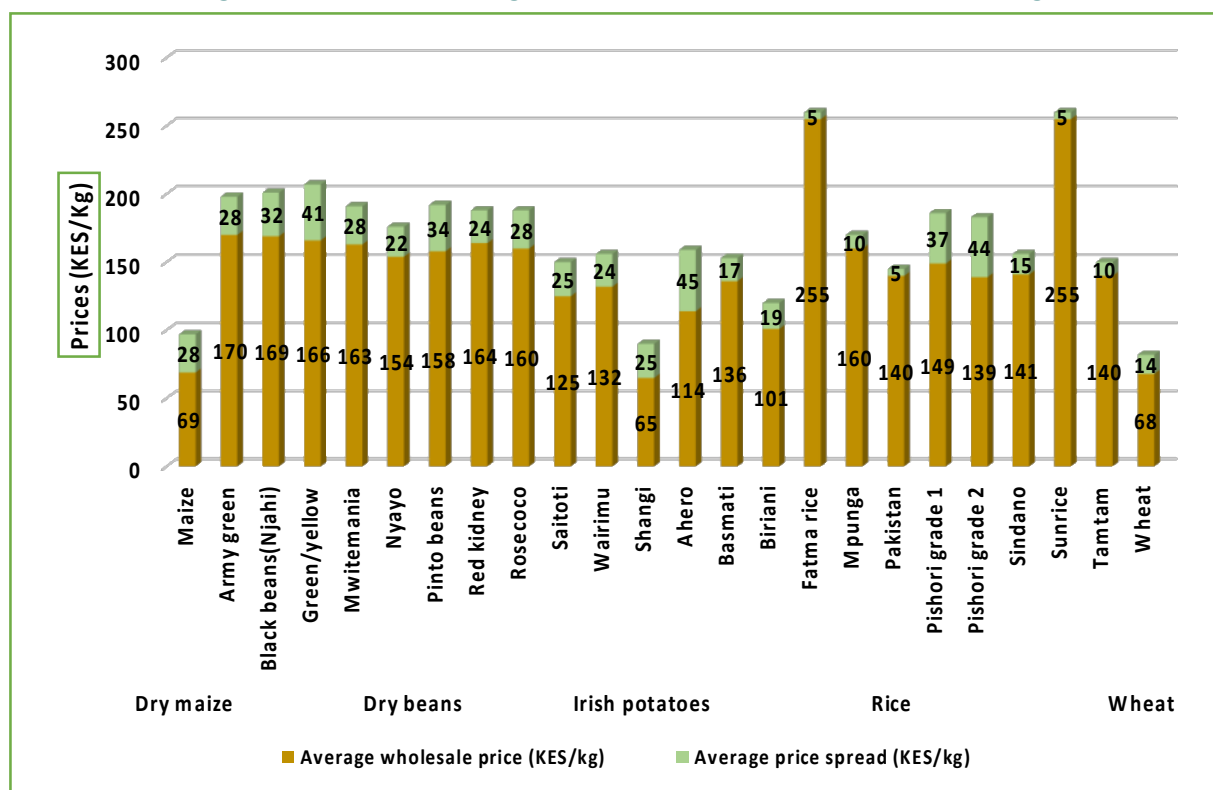
- ▶ Several factors influence wholesale and retail pricing margins, including the source of production, transportation costs, repackaging costs, seasonality, and the existence of middlemen and produce brokers.
- ▶ High bean prices in Eldoret and Kisumu are owing to strong demand for beans at the start of the planting season, given that most farmers utilize farm stored own seed due to the high cost of seeds.
- ▶ Maize prices are high owing to prolonged drought, which has resulted in low productivity, increased demand, and maize shortages across the country as well as globally.
- ▶ Higher Irish potatoes pricing in populated cities are caused by high commodity demand, perishability, and scarcity, as well as high transportation costs due to poor road infrastructure in producing areas and the involvement of intermediaries.

Overall Wholesale and Retail Prices for April

Figure 1 depicts the average wholesale and retail prices for selected food items in key Kenyan marketplaces in April. Few commodities had price margins between 2% and 7%; most rice types were among them; Famta (2%), Mpunga (6%), Pakistan (4%) Sun rice (2%) and Tamtam rice (7%). Most commodities showed price margins of between 11% and 19%. These comprised of most dry beans' varieties [Army green (16%), black beans (19%), Mwitemania (17%), Nyayo (14%), Red kidney (15%), Rosecoco (18%) and Wairimu and some rice types [Biriani (19%), Basmati (13%)

and Sindano (11%). Dry beans [green, yellow (25%), Pinto (22%), and Saitoti beans (20%)] were among the commodities with greater price margins of 20% to 25% dried wheat (21%) and Pishori grade 1 rice (25%). Commodities which recorded significantly higher price margins of between 32% and 41% included Shangi Irish potatoes (38%), Ahero rice (39%), Pishori grade 2 rice (32%), and maize (41%). Variations in wholesale and retail pricing margins can be related to several variables, including the source of production, transportation expenses, repackaging costs, seasonality, and the presence of intermediaries and produce brokers.

Figure 1: Overall average wholesale and retail prices (KES/Kg)



Source: Daily Market Survey for the month of April 2023

Wholesale and Retail Commodity Prices

Several dry bean types were recorded across regions, although only green/yellow, black beans (Njahi), and Wairimu beans were common in all the regions studied (Table 1). Rosecoco bean varieties were widespread in all regions except Mombasa, Army green were common in all regions excluding Kisumu, and Nyayo was common in all regions apart from Nyeri. During April, particular bean varieties were exclusively found in specific locations, such as red beans in Eldoret, Kisumu, and Nairobi, and Saitoti beans in Mombasa. All bean types, as expected, had higher retail costs than wholesale prices. Except for Rosecoco, all bean types in the Eldoret area had higher wholesale prices than the national average. When compared to national retail costs, all bean types available in the Kisumu region had high retail prices. Most beans varieties in Nyeri region recorded higher wholesale and retail prices. All beans' varieties available in Nakuru, Nairobi and Mombasa regions, portrayed lower retail prices when compared to the national average retail prices. High bean prices in Eldoret and Kisumu is attributable to high demand for beans during the

onset of the planting season given that most farmers use farm saved own seed due to high cost of seeds.

Dry maize had higher wholesale prices in Eldoret (76KES/kg), Mombasa (70KES/kg), and Nairobi (70KES/kg) than the national average wholesale and retail prices of 69 KES/kg. Significantly higher retail prices of 143KES/kg were recorded in Kisumu compared to the national average price of 97KES/kg. High prices are due to a prolonged drought, limited output, high demand, scarcity of maize and inability of the country to obtain affordable maize (The Kenyan Wallstreet, 2023).

Irish potatoes saw higher wholesale price in Nairobi (93KES/kg) and higher retail prices in Kisumu (143KES/kg) and Nairobi (104KES/kg) compared to the national average wholesale and retail prices of 65KES/kg and 90KES/kg respectively. Higher prices in the populous cities are as result of high demand of the commodity, perishability, and scarcity, high transport costs due to poor road infrastructure in the producing areas and involvement of middlemen.

Pishori rice was found in all regions, with most regions recording grade 1, Kisumu recording grade 2, and Eldoret recording both grades. Except for Nakuru, all other areas

had higher wholesale and retail prices for Pishori grade 1 rice than the national average wholesale (149KES/kg). Various regions recorded different rice types, with Mombasa showing more rice varieties such like Biriani, Fatma, Mpunga, Pishori, Sindano, Sunrice and Tamtam rice than other locations. Pakistan and Ahero rice were only available in Kisumu region. High rice prices can be attributed to low productivity, rising demand, and the existence of multiple middlemen.

Compared to the national average wholesale and retail prices of 68KES/kg and 82KES/kg respectively, dry wheat

experienced higher wholesale prices in Kisumu (83 KES/kg), Nairobi (69KES/kg) and Nyeri (74 KES/kg), as well as higher retail prices in Kisumu (93KES/kg), Nairobi (100 KES/kg), and Nyeri (112KES/kg). Wheat prices are higher in non-producing regions and in populated cities due to reliance on wheat imports due to scarcity and high demand. According to USDA 2022, report, high global prices for agricultural commodities is as a result of increased global demand; drought-reduced supplies; tightening wheat and other food commodity stocks in major exporting countries; high energy prices pushing up the costs of fertilizer, transportation, and agricultural production.

Table 1: Average wholesale and retail prices (kes/kg) by region for April

Product	Variety	Average wholesale price per (KES/ kg)						Average retail price (KES/kg)						Total average wholesale price (KES/kg)	Total average of retail price (KES/kg)
		Eldoret	Kisumu	Mombasa	Nairobi	Nakuru	Nyeri	Eldoret	Kisumu	Mombasa	Nairobi	Nakuru	Nyeri		
Dry beans	Army green	173		180	154	159	185	200		185	170	176	257	170	198
	Black beans(njahi)	206	150	160	175	167	160	235	220	170	200	175	204	169	201
	Green/yellow	173	179	165	152	154	174	200	251	170	182	157	245	166	207
	Mwitmania	219			137	150	146	255			170	160	179	163	191
	Nyayo	200	140	150	141	136		220	200	155	170	137		154	176
	Pinto beans	170	173		139		145	200	220		160		180	158	192
	Red kidney	200	146		144			210	219		167	160		164	188
	Rosecoco	160	158		161	160	162	180	210		180	161	223	160	188
	Saitoti			125						150				125	150
	Wairimu	136	138	125	115	131	146	150	193	130	130	146	186	132	156
Dry maize	Maize	76	66	70	70	68	67	93	176	70	88	71	86	69	97
Irish potatoes	Shangi	52	61	65	93	49	68	64	143	75	104	83	79	65	90
Rice	Ahero		114						159					114	159
	Basmati	108			145	148	142	130			160	150	170	136	153
	Biriani			100	101	102				110	120	130		101	120
	Fatma rice			255						260				255	260
	Mpunga			160						170				160	170
	Pakistan		140						145					140	145
	Pishori grade 1	175		175	175	98	171	200		180	200	170	197	149	186
	Pishori grade 2	128	151					150	215					139	183
	Sindano	122		145		147	142	130		150		170	163	141	156
	Sunrice			255						260				255	260
	Tamtam			140						150				140	150
Wheat	Wheat	62	83	60	69	64	74	65	93	75	100	66	112	68	82

Source: Daily Market Survey for the month of April 2023

Wholesale and Retail Price Trends by Region

Weekly pricing disparities across regions were seen during week 1 and weeks 2 through 4. At Eldoret, most commodities showed constant wholesale and retail prices with a few recording increased prices. All dry beans and rice varieties saw constant wholesale and retail prices. A comparison between week 1 and week 4 prices, dry maize, Irish potatoes, and wheat portrayed increased wholesale prices of 7%, 23% and 0.7% respectively. The same commodities recorded increased retail prices by 11%, 7% and 1.3% respectively. Increased prices are attributable to seasonality, scarcity, and high demand of commodities.

When prices in Kisumu were compared from week 1 to week 4, they showed a mix of decreasing, and increasing trends. All dry beans varieties saw increased wholesale prices ranging between 6% and 15% while retail prices recorded increased prices ranging from 2% to 41%. Nyayo, Rosecoco and Wairimu beans recorded significantly high price trends of 32%, 33% and 41% respectively. High beans prices are attributable to scarcity and high demand by farmers during planting season and as a requirement in schools for school feeding programmes during opening days. Dry maize, Irish potatoes, and available rice varieties recorded slight decline in prices. This is due to availability of commodities in the neighboring regions and East Africa Countries specifically beans and maize from Uganda and rice from Tanzania. Wheat recorded slight increase in wholesale and retail prices of 5% and 1% respectively.

In Mombasa region, all commodities except Irish potatoes showed constant retail and wholesale prices when week 1 prices were compared to week 4. Constant prices are attributable to availability of food commodities from neighboring counties and imports from other countries including Uganda, Tanzania, and Pakistan.

The Nairobi region recorded mixed results, with different commodities seeing increased, decline and stable prices. A comparison of retail prices between week 4 and week 1 showed stable prices for all dry beans apart from green yellow and red kidney beans which saw decline in prices of 5% and 6% respectively. Dry maize saw decreasing retail prices of 7% while Irish potatoes recorded increased retail prices of 5%. All available rice varieties and wheat saw constant prices. Nairobi is a non-producing populated metropolis with high food demand; this, along with lower-than-average agricultural output owing to inadequate rainfall, is driving up prices. However, steady and declining prices is due to availability of commodities from various regions across the country and imports.

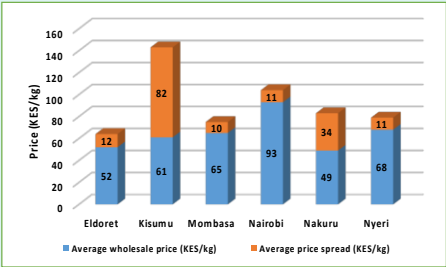
FOCUS ON POTATOES ACROSS SELECTED REGIONS

Irish potatoes are Kenya's second most popular foodstuff. Potatoes are mainly farmed on rain-fed terrain at higher altitudes in 15 counties, where they compete successfully with maize cultivation. The major irish potato farming regions in Kenya include Nyandarua, Nakuru, Elgeyo Marakwet, Meru, Nyeri, Kiambu, Taita Taveta, Narok, Bomet, Trans Nzoia, Bungoma, Uasin Gishu, West Pokot, Kisii, Nyamira, Kirinyaga, Murang'a, Baringo, Nandi, Laikipia and Kericho. The commodity's high consumption across Kenyan demographics has attracted many farmers who anticipate meeting this demand.

There are very many varieties, which differ in shape, size, color, flavor and starch content. The Shangi variety is the most prevalent because to its characteristics such as early maturity, multifunctional (chipping, table usage, mashing, creating crisps, or potato flakes), low dormancy, monopolistic pressures, and market availability.

Pricing for the Shangi potato variety varied by region in April. Kisumu and Nairobi had significantly higher average retail prices of 143 KES/kg and 104 KES/kg, respectively, than the national average retail price of 90KES/kg, while Nairobi and Nyeri had higher average wholesale prices of 93KES/kg and 68KES/kg, respectively, than the national average wholesale price of 65KES/kg. Transportation costs, particularly during the rainy season, along with bad roads, the participation of middlemen, and high demand all contribute to increased price in densely populated cities.

Figure 1: Average wholesale and price spread of potatoes (KES/kg) in selected regions



Source: Daily Market Survey for the month of April 2023.

Nakuru region recorded mixed results, with different commodities seeing increased, reduced, and stable prices. A comparison of wholesale prices between week 4 and week 1 revealed that most dry beans saw increased prices with Nyayo and Wairimu beans recording higher price trends of 25% and 18% respectively. Irish potatoes saw significantly increased wholesale prices of 31% while all available rice varieties portrayed constant wholesale and retail prices. Dry maize saw increased retail prices of 12% while wheat recorded decrease in wholesale and retail prices of 5% and 3% respectively.

A mix of constant, decline, and increased wholesale and retail prices were recorded in Nyeri. A comparison of retail prices between week 4 and week 1 showed a decline in prices of some dry beans ranging from 4% to 9% and increased prices ranging from 2% to 7%. Dry maize and Basmati rice saw constant retail prices while Irish potatoes recorded an increased retail price trend of 9% with wheat portraying a significant increase of 37%.

Comparison of National Average Prices between March and April

A comparison of overall prices (national averages for all commodities) for March and April 2023 (Table 2) demonstrates steady wholesale and retail prices for most commodities, a little increase for a few commodities, and an increase for a few others. Most commodities had unchanged retail and wholesale prices (between 3% and -3%) and a rise of 3% to 6%. The stability of wholesale and retail prices for most commodities between March and April is due to a surplus of items from various producing areas, as well as imports from regional and worldwide markets.

Table 2: Comparison of March and April prices

Product	Variety	Average Wholesale Price (Kes/Kg)		Percentage change	Average Retail Price (Kes/Kg)		Percentage change
		March	April		March	April	
Dry beans	Army green	170	170	0%	192	198	3%
	Black beans(njahi)	167	169	1%	199	201	1%
	Green/yellow	172	169	-2%	209	203	-3%
	Red Kidney	165	164	-1%	187	188	1%
	Mwitmania	161	163	1%	189	191	1%
	Nyayo	146	154	5%	165	176	6%
	Rosecoco	153	160	4%	178	188	5%
	Saitoti	125	125	0%	150	150	0%
	Wairimu	127	132	4%	142	156	9%
Dry maize	Maize	66	69	4%	93	97	4%
Irish potatoes	Shangi	60	65	8%	80	90	11%
Rice	Ahero	114	114	0%	160	159	-1%
	Basmati	135	136	1%	153	153	0%
	Biriani	100	101	1%	116	120	3%
	Mpunga	160	160	0%	170	170	0%
	Pishori grade 1	140	149	6%	183	186	2%
	Pishori grade 2	138	139	1%	175	183	4%
	Sindano	140	141	1%	156	156	0%
	Tamtam	140	140	0%	150	150	0%
Wheat	Wheat	67	68	1%	81	82	1%
		Key <div> <div><3 but >-3</div> <div>>3 but <6</div> <div>>6 but < 11</div> </div> <div> <div>Stable</div> <div>Slight increase</div> <div>Increase</div> </div>					

Source: Daily Market Survey for the month April 2023

FOCUS ON ELDORET REGION

Eldoret is a major town in Kenya's Rift Valley region and the county seat of Uasin Gishu. According to the 2019 Kenya Population and Housing Census, Eldoret is the country's fifth most populous urban region, trailing only Nairobi, Mombasa, Nakuru, and Ruiru. The town is bordered by great agricultural grounds and serves as a commercial hub for Uasin Gishu's economy, which is based on large-scale grain production, dairy farming, and horticulture farming. The town is also a local manufacturing hub, with several nationally known manufacturing companies.

It serves an agricultural area, and one of the country's high agricultural potential areas, properly referred to as part of the country's grain basket. It is a major producer of wheat and maize. Farmers in the region and nearby counties keep dairy and grow crops such as beans, Irish potatoes, and horticultural commodities. Local farmers, adjacent counties, and East African nations, namely Uganda and Tanzania, supply food commodities to the region. Prices for essential food items were obtained from Eldoret Wholesale Market, the town's main wholesale and retail food market.

During April, most commodities exhibited steady wholesale and retail pricing, with only a handful showing price increases. Seasonality, strong demand, and high transportation costs owing to bad roads during the wet season all contributed to an increase in wholesale and retail prices for Irish potatoes.

Table 3: Average Retail and Wholesale Prices, Eldoret Region

Product	Variety	Average wholesale price (KES/kg)				Average retail price (KES/kg)				Total average wholesale prices (KES/kg)	Total average retail prices (KES/kg)
		Week 1	Week 2	Week 3	Week 4	Week 1	Week 2	Week 3	Week 4		
Dry beans	Army green	175	175	175	175	205	205	205	205	175	205
	Black beans (matindi)	205	205	205	205	215	215	215	215	205	215
	Common bean	175	175	175	175	205	205	205	205	175	205
	Matindi	215	215	215	215	215	215	215	215	215	215
	Matindi	205	205	205	205	215	215	215	215	205	215
	Matindi	175	175	175	175	205	205	205	205	175	205
	Red kidney	205	205	205	205	215	215	215	215	205	215
	Red kidney	175	175	175	175	205	205	205	205	175	205
	White	175	175	175	175	205	205	205	205	175	205
	White	175	175	175	175	205	205	205	205	175	205
Dry maize	Maize	12	12	12	12	12	12	12	12	12	12
	Maize	12	12	12	12	12	12	12	12	12	12
Irish potatoes	Shanga	47	47	47	47	47	47	47	47	47	47
	Shanga	47	47	47	47	47	47	47	47	47	47
Rice	Basmati	185	185	185	185	195	195	195	195	185	195
	Basmati	175	175	175	175	185	185	185	185	175	185
Wheat	Wheat	125	125	125	125	135	135	135	135	125	135
	Wheat	125	125	125	125	135	135	135	135	125	135

Source: Daily Market Survey for the month of April 2023.

Outlook for the Month of May

During the month of May, the following changes are expected:

- Maize prices are projected to stay high due to the country's difficulty to procure inexpensive maize;
- The El Nino weather pattern has the potential to amplify the consequences of previous harsh weather events, resulting in continuing high food commodity prices.
- The shilling's ongoing decline against the US dollar has increased the burden on importers, resulting in greater import costs and total food prices.

ABOUT THIS SERIES

The Food Security Portal (FSP), facilitated by the International Food Policy Research Institute (IFPRI), aims to improve food security for the world's poor and increase the resilience of global food systems against food and financial crisis. The project brings together international, regional, and country-level data, news, and research aimed at meeting countries' immediate food security needs and building long-term global food security. The FSP is designed to pool information in structured ways to ensure high-quality, timely, and relevant data and to provide the opportunity for collaboration among policymakers, development professionals, and researchers.

This report is part of the FSP's efforts to monitor country-level food prices in order to improve the governments' ability to respond to and prevent food crises. It presents monthly price trends and movements for key food commodities, including dry beans, dry maize, rice, wheat, and Irish potatoes, in selected major regions and markets in Kenya.

DATA COLLECTION AND METHODOLOGY

The study was conducted in the Mombasa, Nairobi, Nakuru, Eldoret, Kisumu, and Nyeri regions of Kenya. These regions comprise the key markets in major urban centers. The five selected commodities comprise the major staple foods in Kenya¹.

Data assistants, some of whom were traders, collected average daily wholesale and retail prices from the main markets of the selected regions. Data was collected daily for six days (Mondays to Saturdays) from stockists/wholesalers and traders in the morning hours.

During the last week of the month, the following qualitative data were captured:

- General observations on food prices during the month, including price variations and the lowest, highest, and prevailing wholesale and retail prices
- The source of food commodities and their availability throughout the month
- The effects of the COVID-19 pandemic, as well as government restrictions including curfews and cessation of movement, on food prices and availability (both supply and demand)
- Traders' adaptation strategies to the COVID-19 pandemic, including sourcing and selling

Additional secondary data was obtained from the Ministry of Agriculture, Kenya Government Food Security War Room (FSWR), Ministry of Agriculture Livestock and Fisheries (MoALF), and Regional Agriculture Trade Intelligence Network (RATIN).

¹ NB: While the report covers wheat, consumption of that commodity in Kenya is comprised mainly of wheat products (flours, pastries, and highly processed foods) rather than raw wheat itself.

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